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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/724,660	12/01/2003	Greg T. Reel	353756.00102	2347

58076 7590 05/31/2006

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EXAMINER

FISCHER, ANDREW J

ART UNIT	PAPER NUMBER
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3627

DATE MAILED: 05/31/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/724,660

Applicant(s)

REEL ET AL.

Examiner

Andrew J. Fischer

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 March 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 39 and 41-47 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 39 and 41-47 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Acknowledgements

1. Applicants' amendment filed March 16, 2006 is acknowledged. Accordingly, claims 39 and 41-47 remain pending.
2. This Office Action, the "First Final Office Action" is given Paper No. 20060528.
3. All references in this Office Action to the capitalized versions of "Applicants" refers specifically the Applicants of record. References to lower case versions of "applicant" or "applicants" refers to any or all patent "applicants." Unless expressly noted otherwise, references to "Examiner" in this Office Action refers to the Examiner of record while reference to or use of the lower case version of "examiner" or "examiners" refers to examiner(s) generally.
4. This application is a continuation application of U.S. patent application no. 09/487,766 filed on January 19, 2000 ("Parent Application") now abandoned. See MPEP §201.06. In accordance with MPEP §609 A. 2 and MPEP §2001.06(b) (last paragraph), the Examiner has reviewed and considered the prior art cited in the Parent Application. Also in accordance with MPEP §2001.06(b) (last paragraph), all documents cited or considered 'of record' in the Parent Application are now considered cited or 'of record' in this application. Additionally, Applicant(s) are reminded that a listing of the information cited or 'of record' in the Parent Application need not be resubmitted in this application unless Applicants desire the information to be printed on a patent issuing from this application. See MPEP §609 A. 2. Finally, Applicants are reminded that the prosecution history of the Parent Application is relevant in this application. See *e.g., Microsoft Corp. v. Multi-Tech Sys., Inc.*, 357 F.3d 1340, 1350, 69 USPQ2d 1815, 1823

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(Fed. Cir. 2004) (holding that statements made in prosecution of one patent are relevant to the scope of all sibling patents).

5. This Office Action is written in OACS. Because of this, the Examiner is unable to control formatting, paragraph numbering, font, spelling, line spacing, and/or other word processing issues. The Examiner sincerely apologizes for these errors.

6. This application is in an image file wrapper ("IFW") application. Applicant(s)' response is therefore separated before being placed into the IFW system (*i.e.* claims, remarks, drawings, etc. are separated and independently scanned). To ensure proper handling by the Examiner, the Examiner highly recommends Applicants place the application serial no (*e.g.* 06/123,456) in a header or footer (or other appropriate area) of *each* page submitted. At the very least, the Examiner highly recommends this practice for all pages listing the claims.

Claim Rejections - 35 USC §102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. §102 that form the basis for the rejections under this section made in this Office Action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States. . . .

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this

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subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

8. Claims 39 and 41-47 are rejected under 35 U.S.C. §102(e) as being anticipated by Shaw (U.S. 6,563,417 B1). Shaw discloses installing a remote logging device (RFID tag) in a shipment, a sensor (a temperature sensor); establishing a data communications link (via the system in figure 1); reading the remote logging device (inherent in all logging devices); sounding an alarm (a signal) if conditions are met.

Claim Rejections - 35 USC §103

9. The following is a quotation of 35 U.S.C. §103(a) which forms the basis for all obviousness rejections set forth in this Office Action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 39 and 41-47 are alternatively rejected under 35 U.S.C. §103(a) as being unpatentable over Shaw in view of Reber (U.S. 5,798,694).¹ It is the Examiner's principle position that the claims are anticipated because charging the customer a service fee is inherent in Shaw because virtually all services and products cost at least some money.

However if not inherent, the Examiner takes Official Notice that products and services are not free to the provider of the product or service. This is essentially the same position as is often said in the axiom that 'there is no such thing as a free lunch.'

¹ See MPEP §2112 expressly authorizing alternative §102/§103 rejections when the question of inherency is present in the anticipation rejection.

Therefore it would have been obvious to a person having ordinary skill in the art at the time the invention was made to modify Shaw to expressly recite charging the customer a service fee. Such a modification would have disclosed the old and well known capitalistic approach of charging for services. In this rejection, Reber is cited simply to show inherent features of the RFID tag as shown in Shaw.

11. Functional recitation(s) using the word “for,” “configured to,” or “to” (e.g. “for reading the remote electronic data logging device” as recited in claim 39) have been considered but given less patentable weight⁸ because they fail to add any steps and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in additional steps. See *Bristol-Myers Squibb Co. v. Ben Venue Laboratories, Inc.*, 246 F.3d 1368, 1375-76, 58 USPQ2d 1508, 1513 (Fed. Cir. 2001) (Where the language in a method claim states only a purpose and intended result, the expression does not result in a manipulative difference in the steps of the claim.).

12. Regarding the conditional phrase “if alarm conditions at any time are indicated”, Applicants are reminded that optional or conditional elements do not narrow the claims because they can always be omitted. See e.g. MPEP §2106 II C: “Language that suggest or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. [Emphasis in original.]”; see also MPEP §2111.04; and *In re Johnston*, 435 F.3d 1381, 77 USPQ2d 1788, 1790 (Fed. Cir. 2006) (“As a matter of linguistic precision, optional elements do not narrow the claim because they can always be omitted.”). The Examiner suggests removing “if” only if Applicants’ specification supports such an amendment.

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13. It is the Examiner's factual determination that there are at least three (3) basic types of RF tags: passive RF tags, active tags without a battery, and active tags with a battery. See e.g. Ghaem *et. al.* (U.S. 5,495,250) C1, L45 to C2, L24 for a discussion of the strengths and weaknesses of these three (3) types of tags.

14. Additionally it is the Examiner factual determination that to one of ordinary skill in this art, it is old and well known that bar codes should reference useful information including but not limited to: date of manufacture; shelf life; place of manufacture; intended distribution route; batch number; government specs; size, weight, color, etc.; safety, health, ingredients, precautions, dosages, etc.; information, pricing, discount, commission, tax, and other accounting information; automatic reordering instructions; serial numbers, and so forth. See e.g. Storch *et. al.* (U.S. 5,548,110) C2, L38-50.

15. Applicants are reminded that the USPTO uses a different standard for interpreting claims than that used by district courts during inter partes patent infringement litigation. See e.g. *In re American Academy of Science Tech Center*, 367 F.3d 1359, 1369, 70 USPQ2d 1827, 1834 (Fed. Cir. 2004) (noting that "the Board is *required* to use a different standard for construing claims than that used by district courts. We have held that it is *error for the Board to apply the mode of claim interpretation that is used by courts in litigation*, when interpreting the claims of issued patents in connection with determinations of infringement and validity. [Emphasis added.]").² Moreover, unlike patent applicants who have *two* audiences in which their claims may ultimately be judged (*i.e.* ex parte examination now and possibly by a district court during inter partes

² See also MPEP §2111.01 which begins: "While the claims of issued patents are interpreted in light of the specification, prosecution history, prior art and other claims, this is not the mode of claim interpretation to be applied during examination. [Emphasis in original.]"

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infringement litigation later), the Examiner has but one audience since “[t]he business of the PTO is patentability, not infringement.” *In re Hogan*, 559 F.2d 595, 607, 194 USPQ 527, 538 (CCPA 1977). Therefore because an examiner’s legal conclusions regarding claim interpretations are provided for purposes of ex parte examination only, the Examiner makes no findings as to how a reviewing body—outside the context of ex parte examination—should interpret the claims. Patent applicants are therefore reminded that not only must they consider and appreciate this potential dichotomy in claim construction, Applicants should draft their claim amendments and arguments in such a way that considers, foresees, and appreciates this potential dichotomy in claim construction. While the Examiner recognizes that particular claim amendments and/or arguments by Applicants may be directed towards ex parte examination only, inter partes litigation only, or perhaps both audiences, the Examiner will henceforth presume that all amendments and arguments by Applicants are directed towards at least ex parte examination unless Applicants express clear statements otherwise.

16. After careful review of the specification and prosecution history, the Examiner is unaware of any desire—either expressly or implicitly—by Applicants to be their own lexicographer and to define a claim term to have a meaning other than its ordinary and accustomed meaning. Therefore, the Examiner starts with the heavy presumption that all claim limitations are given their ordinary and accustomed meaning. See *Bell Atlantic Network Services Inc. v. Covad Communications Group Inc.*, 262 F.3d 1258, 1268, 59 USPQ2d 1865, 1870 (Fed. Cir. 2001) (“[T]here is a heavy presumption in favor of the ordinary meaning of claim language as understood by one of ordinary skill in the art.”); *CCS Fitness Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366, 62 USPQ2d 1658, 1662 (Fed. Cir. 2002) (There is a “heavy presumption that a

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claim term carries its ordinary and customary meaning.”). See also MPEP §2111.01 and *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989).³

17. In accordance with the ordinary and accustomed meaning presumption, during examination the claims are interpreted with their “broadest reasonable interpretation . . .” *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997). See also MPEP §2111. However, if Applicants disagree with the Examiner and have either (a) already used lexicography or (b) wish to use lexicography and therefore (under either (a) or (b)) desire a claim limitation to have a meaning other than its ordinary and accustomed meaning, the Examiner respectfully requests Applicants in their next response to expressly indicate⁴ the claim limitation at issue and to show where in the specification or prosecution history the limitation is defined. Such definitions must be clearly stated in the specification or file history. *Bell Atlantic*, 262 F.3d at 1268, 59 USPQ2d at 1870, (“[I]n redefining the meaning of particular claim terms away from the ordinary meaning, the intrinsic evidence must ‘clearly set forth’ or ‘clearly redefine’ a claim

³ It is the Examiner’s position that “plain meaning” and “ordinary and accustomed meaning” are synonymous. See e.g. *Rexnord Corp. v. Laitram Corp.*, 274 F.3d 1336, 1342, 60 USPQ2d 1851, 1854 (Fed. Cir. 2001) (“[A]ll terms in a patent claim are to be given their plain, ordinary and accustomed meaning . . .”).

⁴ “Absent an *express intent* to impart a novel meaning, terms in a claim are to be given their ordinary and accustomed meaning. [Emphasis added.]” *Wenger Manufacturing Inc. v. Coating Mach. Sys., Inc.*, 239 F.3d 1225, 1232, 57 USPQ2d 1679, 1684 (Fed. Cir. 2001) (citations and quotations omitted). “In the absence of an *express intent* to impart a novel meaning to claim terms, an inventor’s claim terms take on their ordinary meaning. We indulge a heavy presumption that a claim term carries its ordinary and customary meaning. [Emphasis added.]” *Teleflex Inc. v. Ficosa North America Corp.*, 299 F.3d 1313, 1325, 63 USPQ2d 1374, 1380 (Fed. Cir. 2002) (citations and quotations omitted).

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term so as to put one reasonably skilled in the art on notice that the patentee intended to so redefine the claim term”).⁵ The Examiner cautions that no new matter is allowed.

Applicants are reminded that failure by Applicants in their next response to properly traverse this issue in accordance with 37 C.F.R. §1.111(b) or to be non-responsive to this issue entirely will be considered a desire by Applicants to forgo lexicography in this application and to continue having the claims interpreted with their broadest reasonable interpretation.⁶ Additionally, it is the Examiner’s position that the above requirements are reasonable.⁷ Unless expressly noted otherwise by the Examiner, the preceding discussion on claim interpretation principles applies to all examined claims currently pending.

18. To the extent that the Examiner’s interpretations are in dispute with Applicants’ interpretations, the Examiner hereby adopts the following definitions—under the broadest

⁵ See also *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1582, 39 USPQ2d 1573, 1576 (Fed. Cir. 1996), (“[A] patentee may choose to be his own lexicographer and use terms in a manner other than their ordinary meaning, *as long as* the special definition of the term is *clearly stated* in the patent specification or file history. [Emphasis added.]”); *Multiform Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477, 45 USPQ2d 1429, 1432 (Fed. Cir. 1998) (“Such special meaning, however, must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention.”). See also MPEP §2111.01, subsection titled “Applicant May Be Own Lexicographer” and MPEP §2173.05(a) titled “New Terminology.”

⁶ See 37 C.F.R. §1.104(c)(3) which states in part: “the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability [Emphasis added.]”

⁷ The Examiner’s requirements on this matter are reasonable on at least two separate and independent grounds. First, the Examiner’s requirements are simply an express request for clarification of how Applicants intend their claims to be interpreted so that lexicography (or even an *attempt* at lexicography) by Applicants is not inadvertently overlooked by the Examiner. Second, the requirements are reasonable in view of the USPTO’s goals of compact prosecution, productivity with particular emphasis on reductions in both pendency and cycle time, and other goals as outlined in the USPTO’s The 21st Century Strategic Plan, February 3, 2003 available at www.uspto.gov/web/offices/com/strat21/index.htm (last accessed May 28, 2006).

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reasonable interpretation standard—in all his claim interpretations.⁸ Moreover, while the following list is provided in accordance with *In re Morris*, the definitions are a guide to claim terminology since claim terms must be interpreted in context of the surrounding claim language.⁹ Finally, the following list is not intended to be exhaustive in any way:

Server: “2. On the Internet or other network, a computer or program that responds to commands from a client.” Computer Dictionary, 3rd Edition, Microsoft Press, Redmond, WA, 1997.¹⁰ **Client:** “3. On a local area network or Internet, a computer that accesses shared network resources provided by another computer (called a server).” Id. **Computer:** “Any machine that does three things: accepts structured input, processes it according to prescribed rules, and produces the results as output.” Id.

Data “Plural of the Latin *datum*, meaning an item of information. In practice, data is often used for the singular as well as plural the form of the noun.” Id.

Remote, “4 : acting, acted on, or controlled indirectly or from a distance < ~ computer

⁸ While most definitions are cited because these terms are found in the claims, the Examiner may have provided additional definition(s) to help interpret words, phrases, or concepts found in the definitions themselves or in the prior art.

⁹ See e.g. *Brookhill-Wilk I LLC v. Intuitive Surgical Inc.*, 334 F.3d 1294, 1300, 67 USPQ2d 1132, 1137 (Fed. Cir. 2003) (abstract dictionary definitions are not alone determinative; “resort must always be made to the surrounding text of the claims in question”).

¹⁰ Based upon Applicants’ disclosure, the art of record, and the knowledge of one of ordinary skill in this art as determined by the factors discussed in MPEP §2141.03 (where practical), the Examiner finds that the *Microsoft Press Computer Dictionary* is an appropriate technical dictionary known to be used by one of ordinary skill in this art. See e.g. *Altiris Inc. v. Symantec Corp.*, 318 F.3d 1363, 1373, 65 USPQ2d 1865, 1872 (Fed. Cir. 2003) where the Federal Circuit used the *Microsoft Press Computer Dictionary* (3d ed.) as “a technical dictionary” to define the term “flag.” See also *In re Barr*, 444 F.2d 588, 170 USPQ 330 (CCPA 1971)(noting that its appropriate to use technical dictionaries in order to ascertain the meaning of a term of art) and MPEP §2173.05(a) titled ‘New Terminology.’

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operation>;” Merriam-Webster’s Collegiate Dictionary, 10th Edition, Merriam-Webster Inc., Springfield, M.A., 1997.

For “1 a — used as a function word to indicate purpose <a grant ~ studying medicine>” Id.

Information “2 a . . . (3): FACTS, DATA . . .” Id.

19. Because the Examiner has used (or pointed to) the Merriam-Webster’s Collegiate Dictionary to help support his interpretation of at least one claim term (see *e.g.* “for” above) and because patent applicants frequently misunderstand the historical order of definitions, homographs, and their corresponding senses in a given entry, the following excerpts from the “Explanatory Notes” in Merriam-Webster’s Collegiate Dictionary are provided:

Entries

HOMOGRAPHS

The order of homographs is usually historical: the one first used in English is entered first.

Definitions

DIVISION OF SENSES

A boldface colon is used in this dictionary to introduce a definition. . . . It is also used to separate two or more definitions of a single sense. . . . Boldface Arabic numerals separate senses of a word that has more than one sense. . . . Boldface lowercase letters separate the subsenses of a word. . . . Lightface numerals in parentheses indicate a further division of senses. . . .

ORDER OF SENSES

The order of senses within an entry is historical: the sense known to have been first used in English is entered first. This is not to be taken to mean, however, that each sense of a multisense word developed from the immediately preceding sense. It is altogether possible that sense 1 of a word has given rise to sense 2 and sense 2 to sense 3, but frequently sense 2 and sense 3 may have risen independently of one another from sense 1.

When a number sense is further subdivided into lettered subsenses, the inclusion of particular subsenses with a sense is based upon their semantic relationship to one another, but their order is likewise historical: subsense 1a is

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earlier than subsense 1b, 1b is earlier than 1c, and so forth. Divisions of subsenses indicated by lightface numerals in parentheses are also in historical order with respect to one another. Subsenses may be out of historical order, however, with respect to the broader numbered senses. Merriam-Webster's Collegiate Dictionary, pp 10a-20a.

20. Thus, the Examiner concludes that the order of definition(s), homograph(s), or sense(s) for a given entry in a dictionary is not relevant when determining the appropriateness of the definition because the order is primarily historical.

21. Additionally, the Examiner notes that “the PTO and the CCPA acknowledged product-by-process claims as an exception to the general rule requiring claims to define products in terms of structural characteristics.” *Atlantic Thermoplastics Co. v. Faytex Corp.*, 970 F.2d 834, 845, 23 USPQ2d 1481, 1490 (Fed. Cir. 1992) (hereinafter “*Atlantic Thermoplastics v. Faytex I*”). Furthermore, the Federal Circuit “acknowledges that it has in effect recognized . . . product-by-process claims as exceptional.” *Atlantic Thermoplastics v. Faytex I*, 970 F.2d at 847, 23 USPQ2d at 1491.

Because of this exceptional status, the Examiner has carefully reviewed the claims and it is the Examiner's position that claims 39 and 41-47 *do not* contain any product-by-process limitations whether in a conventional format or otherwise. If Applicants disagree with the Examiner, the Examiner respectfully requests Applicants in their next response to expressly point out any product-by-process claim(s) and their limitations so that they may be afforded their exceptional status and treated accordingly. Applicants are reminded that “even though product-by-process claims are limited by and defined by the process, determination of patentability is based on the product itself.” *In re Thorpe*, 777 F.2d 695, 697, 227 USPQ 964, 966 (Fed. Cir.

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1985) (citations omitted).¹¹ Failure by Applicants in their next response to also address this issue in accordance with 37 C.F.R. §1.111(b) or to be non-responsive to this issue entirely will be considered intent by Applicants *not* to recite any product-by-process limitations. Unless expressly noted otherwise by the Examiner, the preceding discussion on product-by-process principles applies to all examined claims currently pending.

Response to Arguments

22. Applicants' arguments filed March 16, 2006 have been fully considered but they are not persuasive.

Conclusion

23. Applicants' amendment necessitated the new grounds of rejection presented in this First Final Office Action. Accordingly, this action is made final. See MPEP §706.07(a). Applicants are reminded of the extension of time policy as set forth in 37 C.F.R. §1.136(a).

A shortened statutory period for reply to this final action is set to expire three months from the mailing date of this action. In the event a first reply is filed within two months of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 C.F.R. §1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than six months from the date of this final action.

¹¹ See also MPEP §2113.

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24. References considered pertinent to Applicants' disclosure are listed on form PTO-892.

All references listed on form PTO-892 are cited in their entirety.

25. Unless expressly noted otherwise by the Examiner or other USPTO official, the following four (4) citations to the Manual of Patent Examining Procedure ("MPEP") apply to this Office Action *and* any future office action(s), communication(s), or other correspondence provided by the USPTO: MPEP citations to Chapter 2300 are from the MPEP 8th Edition, Rev. 4, October 2005; citations to Chapters 200-900, 1200-1400, and 1700-1900, 2100, 2200, 2600 are from the MPEP 8th Edition, Rev. 3, August 2005. MPEP citations to Chapters 100, 1000, 1100, 1500, 2000, 2500, and 2700 are from the MPEP 8th Edition, Rev. 2, May 2004. MPEP citations to Chapters 1600, 2300, 2400 are from MPEP 8th Edition, August 2001.

26. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

27. Because this application is now final, Applicants are reminded of the USPTO's after final practice as discussed in MPEP §714.12 and §714.13 and that entry of amendments after final is *not* a matter of right. "The refusal of an examiner to enter an amendment after final rejection of claims is a matter of discretion." *In re Berger*, 279 F.3d 975, 984, 61 USPQ2d 1523, 1529 (Fed. Cir. 2002) (citations omitted). Furthermore, suggestions or examples of claim language provided by the Examiner are just that—suggestions or examples—and do not constitute a formal

requirement mandated by the Examiner. Unless stated otherwise by an express indication that a claim is “allowed,” exemplary claim language provided by the Examiner to overcome a particular rejection or to change claim interpretation has *not been addressed* with respect to other aspects of patentability (*e.g.* §101 patentable subject matter, §112 1st paragraph written description and enablement, §112 2nd paragraph indefiniteness, and §102 and §103 prior art). Therefore, any claim amendment submitted under 37 C.F.R. §1.116 that incorporates an Examiner suggestion or example or simply changes claim interpretation will nevertheless require further consideration and/or search and a patentability determination as noted above.

28. Additionally, Applicants are reminded that it is inappropriate for the USPTO to disregard any relevant evidence of record. “It is jurisprudentially inappropriate to disregard any relevant evidence on any issue in any case, patent cases included.” *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 218 USPQ 871, 879 (Fed. Cir. 1983). Second, when making substantive patentability determinations, the USPTO uses the preponderance of the evidence standard.¹² In light of this standard, it is clear error for the USPTO not to consider *all* evidence of record. See *e.g. In re Piasecki*, 745 F.2d 1468, 1471, 223 USPQ 785, 787 (Fed. Cir. 1984) (“All the evidence on the question of obviousness must be considered.”); *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992) (“After evidence or argument is submitted by the applicant in response, patentability is determined on *the totality of the record*, by a preponderance of evidence with due consideration to persuasiveness of argument. [Emphasis added.]”); *In re Glaug*, 283 F.3d 1335, 1338, 62 USPQ2d 1151, 1152-53 (Fed. Cir. 2002)(“Patentability vel non

¹² See MPEP §706 I. “The standard to be applied in *all* cases is the ‘preponderance of the evidence’ test. In other words, an examiner should reject a claim if, in view of the prior art and evidence of record, it is more likely than not that the claim is unpatentable. [Emphasis added.]”

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is then determined on the *entirety* of the record, by a preponderance of evidence and weight of argument. . . . ; patentability is determined by a preponderance of *all* the evidence. [Emphasis added.]”); and *In re Rinehart*, 531 F.2d 1048, 189 USPQ 143, 146 (CCPA 1976)(where the court expressly set forth the issue as “Whether, in light of *all the evidence*, the claimed method would have been obvious at the time the invention was made. [Emphasis added.]”). Third, any factual determination by the USPTO that does *not* consider all relevant evidence of record may not be supported by the required substantial evidence¹³ since the particular evidence *not* considered may be probative of a factual issue presented. Forth, prior art patents are not technical treatises and therefore these patents intentionally omit features that are known in the field of the invention. See *S3 Inc. v. nVIDIA Corp.*, 259 F.3d at 1371, 59 USPQ2d at 1749-50 (“The law is clear that patent documents need not include subject matter that is known in the field of the invention and is in the prior art, for patents are written for persons experienced in the field of the invention. ... To hold otherwise would require every patent document to include a technical treatise for the unskilled reader.”); and *Atmel Corp. v. Information Storage Devices, Inc.*, 198 F.3d 1374, 1382, 53 USPQ2d 1225, 1230 (Fed. Cir. 1999)(“The specification would be of enormous and unnecessary length if one had to literally reinvent and describe the wheel.”). Finally and perhaps most importantly, it is well established that “[a] reference anticipates a claim if it discloses the claimed invention ‘such that a skilled artisan could take its teachings in *combination with his own knowledge of the particular art and be in possession of the invention*. [Emphasis in

¹³ See *In re Gartside*, 203 F.3d 1305, 1315, 53 USPQ2d 1769, 1775 (Fed. Cir. 2000) where the Federal Circuit concluded that USPTO’s factual findings must be supported by substantial evidence.

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original.]” *In re Graves*, 69 F.3d 1147, 1152, 36 USPQ2d 1697, 1701 (Fed. Cir. 1995) citing *In re LeGrice*, 301 F.2d 929, 936, 133 USPQ 365, 372 (CCPA 1962) and noting that regarding the claimed “simultaneously monitoring the selected multiple connection points,” the prior art “nevertheless anticipates [the claimed invention], even if it does not specifically disclose simultaneous monitoring of the output points, if simultaneous or parallel monitoring is within the knowledge of a skilled artisan.” *Graves*, 69 F.3d at 1152, 36 USPQ2d at 1701.¹⁴ Therefore because, inter alia, it is inappropriate for the USPTO to disregard any relevant evidence, because the USPTO must consider all evidence of record, because any evidence or record *not* considered by the USPTO may be probative of at least one factual issue presented, because prior art patents need not include subject matter that is known in the field of the invention, and because anticipation is determined by the teachings of a reference in combination with the knowledge of one of ordinary skill in the art, Applicants are hereby given actual notice that all prior art rejections (*i.e.* rejection(s) based upon 35 U.S.C. §§ 102 or 103)—if found in this Office Action or any subsequent office action—are based upon the cited reference(s) in the statement of the rejection in combination with the knowledge of one of ordinary skill in this art.

29. In accordance with *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002), the Examiner finds that the references How Computers Work Millennium Ed. by Ron White; How Networks Work, Millennium Ed. by Frank J. Derfler et. al.; and How the Internet Works, Millennium Ed. by Preston Gralla are additional evidence of what is general knowledge or common sense to one of ordinary skill in this art. Each reference is cited in its entirety.

¹⁴ See also *In re Donohue*, 766 F.2d 531, 533, 226 USPQ 619, 621 (Fed. Cir. 1985) for the same statement of law and also citing *In re LeGrice*; and *Ex parte Thomson*, 24 USPQ2d 1618, 1620 (B.P.A.I. 1992).

Moreover, because these three references are directed towards beginners (see *e.g.* “User Level Beginning . . .”), because of the references’ basic content (which is self-evident upon review of the references), and after further review of the entire application and all the art now of record in conjunction with the factors as discussed in MPEP §2141.03 (where practical), the Examiner finds that these three references are primarily directed towards those of low skill in this art. Because these three references are directed towards those of low skill in this art, the Examiner finds that one of ordinary skill in this art must—at the very least—be aware of and understand the knowledge and information contained within these three references.

30. Also in accordance with *In re Lee*, the Examiner finds that the reference, Production and Inventory Control Handbook, 3rd Ed. with James H. Greene as Editor-in-Chief (“Greene”) is additional evidence of what is general knowledge or common sense to one of ordinary skill in this art. First, the Examiner finds that Greene provides an introduction to the basics of production and inventory control. In other words, Greene covers production and inventory control in its broadest sense. The Examiner also finds that the reference is a introductory handbook which serves at least professionals, students, and persons designing control systems. The reference is cited in its entirety. In particular, Greene is about planning, controlling, and managing production and inventories through systems and an organization; and applying principles, methods, and models, based on facts, knowledge, forecasts, and predictions to accomplish goals and objectives. Finally, the Examiner finds that Greene includes discussions which are broad enough to include both large and small businesses; covers the process industries as well as the assembly and fabrication industries; covers businesses that produce to order as

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well as those that ship ‘off the shelf,’ and concerns itself with distribution inventories as well as manufactured inventory, from the simple manufacturing processes to the very complex. Because “[w]ell known text books in English are obvious research materials,” *In re Howarth*, 654, F.2d 103, 210 USPQ 689, 692 (CCPA 1981), because of the factual findings noted in this paragraph, and after further review of the entire record including the prior art now of record in conjunction with the factors as discussed in MPEP §2141.03 (where practical), the Examiner finds that Greene is primarily directed towards those of low skill in this art. Because Greene is directed towards those of low skill in this art, the Examiner finds that one of ordinary skill in this art must—at the very least—be aware of and understand the knowledge and information contained within Greene.

31. Applicants are reminded that patents are written by and for skilled artisans. See *e.g Vivid Technologies, Inc. v. American Science and Engineering, Inc.*, 200 F.3d 795, 804, 53 USPQ2d 1289, 1295 (Fed. Cir. 1999) (“patents are written by and for skilled artisans”).¹⁵ The Examiner therefore starts with the presumption that Applicants are skilled artisans who possess at least ordinary skill in the art. Consequently, it is the Examiner’s position that because the patent references of record are directed to those with ordinary skill in this art, these references are clear, explicit, and specific as to what they teach. Nevertheless some applicants apparently have difficulty understanding the references. In an effort to maintain compact prosecution, provide due process, and to help these applicants understand the contents of a reference when viewed from the position of one of ordinary skill in this art, Applicants are hereby given actual notice

¹⁵ See also *S3 Inc. v. nVIDIA Corp.*, 259 F.3d 1364, 1371, 59 USPQ2d 1745, 1749-50 (Fed. Cir. 2001)(“patents are written for persons experienced in the field of the invention”).

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that if after reasonably reading any reference of record—whether the reference is currently of record or subsequently made of record—if Applicants can not reasonably understand or if Applicants have difficulty comprehending one or more sentence(s), statement(s), diagram(s), or principle(s) set forth in the reference(s), Applicants should (in their next appropriately filed response) bring this issue to the attention of the Examiner. In addition to bringing this issue to the attention of the Examiner, and in accordance with 37 C.F.R. §1.111(b), Applicants' response must also state *why* they either do not understand or *why* they have difficulty comprehending the offending reference(s). If after properly receiving (*i.e.* Applicants' response is made of record) both Applicants' request for understanding and the reasons as to *why* the request is made—and assuming the reference is germane to at least one outstanding rejection—the Examiner may either provide a substitute reference, or alternatively, do his best to elucidate the particular sentence(s), statement(s), diagram(s), or principles(s) in the offending reference. For all documents or references made of record after this Office Action, Applicants are given actual notice that this paragraph becomes effective when Applicants receive notice that the document or reference is made of record (*i.e.* this paragraph becomes applicable when Applicants submit an Information Disclosure Statement or when Applicants receive an examiner's Notice of References Cited (Form PTO-892)).

32. In accordance with the USPTO's goals of customer service, compact prosecution, and reduction of cycle time, the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. Furthermore, the Examiner has again provided Applicants with notice—for due process purposes—of his position regarding his factual determinations and legal conclusions. The Examiner notes and thanks

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Applicants for their "Remarks" (beginning on page 5) traversing the Examiner's positions on various points. If Applicants disagree with any additional factual determination or legal conclusion made by the Examiner in this Office Action whether expressly stated or implied,¹⁶ the Examiner respectfully reminds Applicants to properly traverse the Examiner's position(s) in accordance with 37 C.F.R. §1.111(b) in their next properly filed response. By addressing these issues now, matters where the Examiner and Applicants agree can be eliminated allowing the Examiner and Applicants to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicants have any questions regarding the Examiner's positions or have other questions regarding this communication or even previous communications, Applicants are strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (571) 272-6779. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's immediate supervisor, Alexander Kalinowski, can be reached at (571) 272-6771. The fax number for facsimile responses is now (571) 273-8300.



Andrew J. Fischer
Primary Examiner
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AJF
May 28, 2006

¹⁶ *E.g.*, if the Examiner rejected a claim under §103 with two references, although not directly stated, it is the Examiner's implied position that the references are analogous art.